

106TH CONGRESS  
2D SESSION

# H. R. 3698

To amend title XIX of the Social Security Act to continue State Medicaid disproportionate share hospital (DSH) allotments for fiscal years 2001 and 2002 at the levels for fiscal year 2000.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 2000

Mr. WHITFIELD (for himself and Mr. BILBRAY) introduced the following bill;  
which was referred to the Committee on Commerce

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## A BILL

To amend title XIX of the Social Security Act to continue State Medicaid disproportionate share hospital (DSH) allotments for fiscal years 2001 and 2002 at the levels for fiscal year 2000.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Medicaid DSH Preser-  
5 vation Act of 2000".

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1           (1) In late January 2000, the Congressional  
2       Budget Office released its revised baselines for fiscal  
3       year 2001 spending programs and projections for  
4       fiscal years 2001 through 2005. These figures re-  
5       vealed that the hospital cuts imposed by the Bal-  
6       anced Budget Act of 1997 are not only continuing,  
7       but are having a far greater impact than originally  
8       anticipated. In fact, the latest projections of that Of-  
9       fice show reductions that are more than four times  
10      the \$15 billion Congress added back in fall of 1999,  
11      as part of the bipartisan Medicare, Medicaid, and  
12      SCHIP Balanced Budget Refinement Act of 1999.

13           (2) Since passage of the Balanced Budget Act  
14      of 1997, Federal health program spending is pro-  
15      jected to be cut by more than \$226 billion—approxi-  
16      mately \$123 billion more than Congress or the Ad-  
17      ministration ever intended. From November 19,  
18      1999, when Congress passed the Medicare, Med-  
19      icaid, and SCHIP Balanced Budget Refinement Act  
20      of 1999, to the end of January 2000, the Congres-  
21      sional Budget Office now estimates that Federal  
22      hospital spending will be far less than originally an-  
23      ticipated—\$62 billion less than it projected just two  
24      months ago.

1           (3) Additionally, during 1999 total Medicare  
 2       spending fell by almost one percent—the first abso-  
 3       lute spending reduction in Medicare history, and the  
 4       Medicare Hospital Insurance Trust Fund (which  
 5       provides payment for inpatient hospital and nursing  
 6       home services) fell by an alarming 4.4 percent.

7           (4) The result—despite the best efforts of many  
 8       in Congress and the Administration—is a continuing  
 9       erosion of the foundation of the nation's hospitals  
 10      and the long term viability of our country's health  
 11      care system.

12 **SEC. 3. CONTINUATION OF MEDICAID DSH ALLOTMENTS AT**  
 13 **FY FISCAL YEAR 2000 LEVELS FOR FISCAL**  
 14 **YEARS 2001 AND 2002.**

15       Section 1923(f) of the Social Security Act (42 U.S.C.  
 16 1396r-4(f)), as amended by section 601 of the Medicare,  
 17 Medicaid, and SCHIP Balanced Budget Refinement Act  
 18 of 1999 (as enacted into law by section 1000(a)(6) of Pub-  
 19 lic Law 106-113), is amended—

20           (1) in paragraph (2)—

21               (A) in the matter preceding the table, by  
 22               striking “2002” and inserting “2000”;

23               (B) in the table in such paragraph, by  
 24               striking the columns labeled “FY 01” and “FY  
 25               02” relating to fiscal years 2001 and 2002; and



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1 (2) in paragraph (3)—

2 (A) by striking “2003” in the heading and  
3 inserting “2001”; and

4 (B) by striking “2003” and inserting  
5 “2001”.

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